



Developing a Strategic Grants Program

One of the most strategic funders that we know has changed a whole field with an annual distribution of only \$300,000. How did they do this? They picked a general area of concern; focused on a specific and underserved need within that area; defined their mission; garnered the buy-in of top professionals in the field to help develop and execute their strategy; and tweaked their strategy over ten-years, never veering from their commitment to the parameters of strategy.

The fundamentals of strategy—regardless of distribution size—are the same. You can have individual grants that work strategically or your portfolio itself can be strategic. At the end of the day, though, an array of strategic grants in various areas is not the equivalent of strategic grants that are connected to one another to accomplish a targeted change in the field.

To some the word strategic seems daunting; to others, it sounds like a great deal of work. It is work. But by breaking it down into a step-by-step process, you will see that there is no mystery to how some philanthropists become so accomplished.

To be strategic, you will need to set up the following:

Clear Goals	<ul style="list-style-type: none">▪ A mission statement that addresses how you intend to make change in a given field▪ A defined program area and usually a defined geographic area
Collaborators	<ul style="list-style-type: none">▪ A relationship with leaders in the relevant field▪ A relationship with funders and nonprofits in the field
Internal Policies	<ul style="list-style-type: none">▪ Grant guidelines to ensure strategic nature of each grant within your overall strategy▪ Internal operating procedures that ensure unison of board activity and review
Grant Procedures	<ul style="list-style-type: none">▪ A grant application form to ensure that the grantee has a thoughtful plan for funds▪ A grant report form that is customized to measure progress toward the grant's goals▪ A grant contract that you customize to each grant
Evaluation	<ul style="list-style-type: none">▪ A system for evaluation of individual grant success and program success▪ Short-term goals and benchmarks to evaluate how your strategy is working
Legacy	<ul style="list-style-type: none">▪ Planning for long-term impact and legacy of your mission